GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:7185
ANSWERED ON:12.05.2000
JOINT MEETING ON NON-PAYMENT OF CBAS
S. AJAYA KUMAR

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government have received any representations from All India Texturisers` Association regarding non-payment of Central Backward Area Subsidy and non-payment of interest on delayed payment to several Small Scale Industry units;

(b) if so, the details thereof; and

(c) the steps taken by the Government to convene a joint meeting to discuss the subsidy issue?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH)

(a) to (c): The Government have received representations from the All India Texturiser`s Association regarding non payment of subsidy and interest on delayed payment thereof to certain units located in the Union Territory of Dadra & Nagar Haveli, Daman & Diu which have gone into production on 31.12.1989, under the erstwhile Central Investment Subsidy Scheme, 1971.

After the cessation of the Scheme on 30.9.1988, certain units which were denied subsidy had gone in appeal before the Hon`ble Supreme Court. The Apex Court in its order dated 5.12.1995 directed that all applications filed upto 30.9.1988, may be considered for the grant of subsidy provided applications were complete under the erstwhile Scheme.

All pending cases are now being settled in terms of guidelines setforth in the Apex Court order dated 5.12.1995.

The request of the Association for payment of subsidy to the units which have gone into production on 31.12.1989 is outside the purview of settled law. As regards payment of interest in delayed cases, no such provision existed under the erstwhile Scheme. No purpose will, therefore, be served by holding a Joint Meeting.